



Washington State Labor Council, AFL-CIO

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December 7, 2009

Governor Chris Gregoire
Office of Governor
P.O. Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire: *Chris*

Thank you for the opportunity to comment on the Review of the Workforce Development System. While there is much to agree with in the report, there is also much that provides concern to labor. We believe that there is always room for continuous improvement. That is why labor supported Washington Works, the report requested by Governor Gregoire and completed in 2007 and why labor supported the clarifying roles and responsibilities.

The problem statements in this report and their attending solutions are neither exclusive nor explicit; the recommendations, primarily from ESD, in many cases, are not the only solution; frequently they are not explicit and leave the reader to wonder how many policy changes ESD is considering.

While we comment specifically on a new Executive Order below, we are compelled to make a general comment here. We can only assume, with the advent of WIA Re-authorization being taken up by the Senate early next year, that the Committee Chair and Senior Senator from Washington may have concerns about our timing in making substantial changes to our workforce system.

Further, it is entirely possible that WIA re-authorization itself will require a new Executive Order. For example, the AFL-CIO is presently considering proposals for either tri-part local boards of 15% labor membership on local boards. If successful, either one of these proposals would require a new executive order. Additionally, an Executive Order must be executed with great care. Our current Workforce Board is grandfathered under the law. Several of the changes in this document could be construed to be so substantial as to change the nature of the Board and thus, require the formation of a new Board. This was not part of the scope of the review and labor finds itself in opposition to those measures that would risk the equal partnership between business, labor and government.

As a State Workforce Board, many of these proposals were reviewed and rejected last June. We are very disappointed that, 6 months later, virtually every proposal rejected by business and labor has found itself back here in this report.

Labor's specific responses are the following:

Problem Statement 1: We agree that the utilization of the workforce system is unprecedented. The system underwent challenges like this less than 10 years ago when Washington State and Oregon had unemployment rates in excess of 7.5% - the highest in the nation at that time. This is exactly the time that workforce development partners should put the Compact to work and use it as a guide. We are extremely encouraged that not only Washington Works, but the Compact are in place as tools for the system to use at this critical juncture. The WSLC has always taken a position in support of Co-enrollment. We believe that an increased emphasis on co-enrollment between all Workforce Development partners now is critical to managing the high service volumes being experienced and applaud this report for highlighting its importance.

Problem Statement 2: We agree that eligibility requirements for Commissioner Approved Training and Training Benefits should be made more quickly. We agree that the working relationships with apprenticeship should be improved, that Community and Technical Colleges should continue to encourage open enrollments and modularization. There have been improvements in the past couple of years in these very important areas, but there is currently room for additional improvements that will allow more people to access the training they need in these times. Especially in the area of credit for prior learning, our system has not moved as quickly toward rewarding experiential learning as we would like. This report correctly identifies this as an area which will reward students, allow current college resources to have an expanded use and that will ultimately lower state costs. While WIA funding flexibility is probably a function of the WIA re-authorization, it is important that we have identified it as an issue of concern, as re-authorization proceeds in the new year.

Problem Statement 3: This area is troublesome. Some of the solutions are federal; including a federal request for waivers that is in progress and WIA re-authorization, which requires waiting on Congress. While the certification of local boards is the prerogative of the Governor and the Local Elected official under federal law and the decertification of a local board is clearly identified in statute. Without specifics, this provision for imposing sanctions on local boards by an operating agency within the local boards will be considered extremely divisive. Labor does not support the conclusions found under this problem statement.

Problem Statement 4: We emphatically disagree with this portion of the report. On the eve of WIA re-authorization, we believe this is exactly NOT the time for a new Executive Order. We are particularly disappointed that a

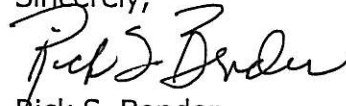
single operating agency should recommend to take upon itself the writing of the strategic plan which governs the entire workforce system, as well as negotiating performance measures with federal partners that it will have to measure itself against. This is not credible and in fact will take substantial time to develop processes, which will take away valuable resources from the ability to move people more quickly into training.

Problem Statement 5: The statement appears to be about planning, which does not translate into the ability to train more people. We believe that this is mainly a statement about a new management information system, which we frankly cannot afford. The statements about outreach are already part of the Compact.

Problem Statement 6: Infrastructure funding is a function of WIA re-authorization, which labor supports, but which is outside the scope of what the State's workforce system can accomplish. Additionally, common assessments have been discussed for many years and in many cases, the assessments used are driven by the expectations of local employers. We have always favored staff training and development.

Problem Statement 7: The dissemination of timely labor market information is always to be a goal to work toward. We appreciate the recognition that this area of information is critical to local and state decision making. Labor believes that we have one of the most nimble LMEA divisions anywhere and have always been appreciative of their ability to provide data. It is one of the core competencies of ESD. To acknowledge that a wider dispersal of this valuable information is needed by the system is at the crux of good decision making not only for workforce development, but also for economic development partnerships that the Governor wishes to foster.

Thank you again for the opportunity to offer these preliminary comments from labor regarding the Workforce System Review.

Sincerely,

Rick S. Bender
President